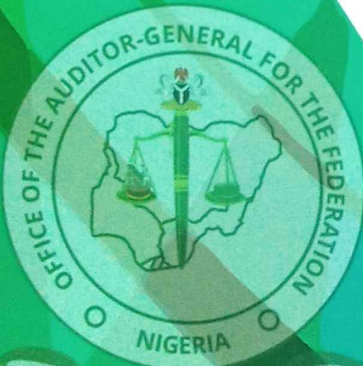




**OFFICE OF THE AUDITOR-GENERAL
FOR THE FEDERATION**

**REPORT ON SPECIAL AUDIT MONITORING AND
EVALUATION OF CAPITAL PROJECTS AND
PROGRAMMES BY THE NIGERIAN BULK
ELECTRICITY TRADING (NBET) PLC,
FOR THE PERIOD JUNE,
2017 – JUNE, 2018**



June, 2020



Our Mission

To audit the nation's accounts in the most professional and transparent manner, ensuring value for money in government financial activities for the benefit of the Nigerian people.

Our Vision

To be a foremost audit institution, applying best professional practices towards fostering good governance and providing leadership to other Supreme Audit Institutions (SAIs)



**REPORT ON SPECIAL AUDIT MONITORING AND
EVALUATION OF CAPITAL PROJECTS AND
PROGRAMMES BY THE NIGERIAN BULK
ELECTRICITY TRADING (NBET) PLC,
FOR THE PERIOD JUNE,
2017 – JUNE, 2018**



THE AUDITOR-GENERAL FOR THE FEDERATION

Audit House, Plot 273, Samuel Ademulegun Street, Central Business District,
P.M.B. 128, Garki - Abuja, Nigeria.

764/90/CONF/VOL.11/109

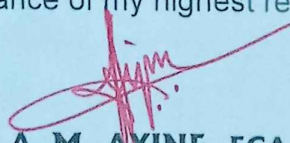
25th June, 2020

The Clerk to the National Assembly,
National Assembly Complex,
Three Arms Zone,
Abuja.

**SUBMISSION OF AUDITOR-GENERAL'S REPORT ON SPECIAL
AUDIT MONITORING AND EVALUATION OF CAPITAL
PROJECTS AND PROGRAMMES, BY NIGERIA BULK
ELECTRICITY TRADING (NBET) PLC FOR THE
PERIOD 1ST JUNE 2017 TO 30TH JUNE, 2018**

By the power conferred on me in Section 85(2) and (4) of the Constitution of the Federal Republic of Nigeria 1999 (as amended), I have conducted Audit Monitoring and Evaluation of Capital Projects and Programmes for the period 1st June 2017 to June, 2018 of Nigeria Bulk Electricity Trading (NBET) Plc.

2. Accordingly, I hereby submit five (5) hard copies and two (2) soft copies of the report, to the Clerk to the National Assembly, for necessary action.
3. Please, accept the assurance of my highest regards, always.


A. M. AYINE, FCA

Auditor-General for the Federation



TABLE OF CONTENTS

Transmittal letter	I
Table of contents	II
List of abbreviations	III
Introduction	4
Non-submission of annual audited financial statements for six (6) years: 2014 – 2019	5
Payments for contract not executed (₦20,952,000.00)	6-7
Variation of contract without approval: ₦4,835,856.56	8
Unauthorized payment: international training without approval: (₦65,632,229.55)	9
Payment without supporting documents of ₦1,310,000.00	10
Spending of Government funds on status vehicles	11
Acknowledgement	12
Appendixes on the Report	13
Appendix I	14-22
Appendix 2, Issue 4	23

LIST OF ABBREVIATIONS

NBET	-	Nigeria Bulk Electricity Trading
NESI	-	Nigeria Electricity Industry
AUGF	-	Auditor – General for the Federation
EFCC	-	Economic and Financial Crimes Commission
PPA	-	Public Procurement Act
HCSF	-	Head of Civil Service of the Federation
MDA's	-	Ministries, Departments and Agencies
IPP's	-	Independent Power Producer
FIRS	-	Federal Inland Revenue Service
VAT	-	Value-Added Tax
WHT	-	With-Holding Tax
BPE	-	Bureau of Public Enterprises
ICPC	-	Independent Corrupt Practices Commission
BPP	-	Bureau of Public Procurement
ICT	-	Information and Communication Technology
FR	-	Financial Regulations
NASS	-	National Assembly
MD	-	Managing Director
CEO	-	Chief Executive Officer

**SPECIAL REPORT ON AUDIT MONITORING AND EVALUATION
OF CAPITAL PROJECTS AND PROGRAMMES BY THE NIGERIAN
BULK ELECTRICITY TRADING (NBET) PLC,
PERIOD: JUNE, 2017 – JUNE, 2018**

INTRODUCTION:

4.0 The Nigerian Bulk Electricity Trading (NBET) Plc, is the Manager and Administrator of the Electricity Pool ('**The Pool**') in the Nigeria Electricity Industry (NESI). It was incorporated on the 29th day of July, 2010 and is 100% owned by the Federal Government of Nigeria.

By the provision of Section 85(3) of the Constitution of the Federal Republic of Nigeria, 1999 (as amended), the Auditor-General for the Federation (AuGF) does not conduct full audit of Federal Government Parastatals, Companies, or Agencies; Nigerian Bulk Electricity Trading (NBET) Plc., inclusive. However, the AuGF is empowered to carry out periodic checks on the Parastatals and Agencies in line with Section 85(4) of the Constitution of the Federal Republic of Nigeria and make comments on their **Audited Financial Statements**. As a result of the above Authority a **Special Periodic Check** on Monitoring and Evaluation of Capital Projects and Programmes was carried out on Nigerian Bulk Electricity Trading (NBET) Plc. for the period June, 2017 – June, 2018.

Ordinarily, we thereafter, extract paragraphs for inclusion in the Auditor-General's **Annual Report**. However, because of the public interest generated in NBET's affairs, I hereby issue a **Special Audit Report**, having duly considered the entity's responses to our earlier Management Report.

This report is hereby presented.



NON-SUBMISSION OF ANNUAL AUDITED FINANCIAL STATEMENTS FOR SIX (6) YEARS: 2014 – 2019

Section 85(5) of the Constitution of the Federal Republic of Nigeria require the Auditor-General for the Federation to comment on the **Annual Audited Accounts** of Government Parastatals or Agencies, while Financial Regulations 3210(v) require the Chief Executive Officer of each Government Parastatal, Agency or Company to submit both the **Annual Audited Accounts** and Management Report, to the Auditor-General for the Federation, not later than 31st May of the following year of each Accounts.

As at the time of concluding this Special Report, the Management of the Nigerian Bulk Electricity Trading (NBET) Plc., has not submitted **Annual Audited Accounts**, for six (6) years., i. e. from financial years ended 31st December, 2014 – 31st December, 2019, thereby breaching Financial Regulations 3210(v).

2.1 Key Risk(s):

Indicative of poor financial management and reporting, which could lead to misuse of financial resources and even failure in the realization of the objectives for which the entity was set-up.

2.2 Recommendation:

- (i) The Management of Nigerian Bulk Electricity Trading (NBET) Plc., should be compelled to prepare, audit and submit the required statutory Audited Annual Accounts for the financial years 2014 – 2019;
- (ii) Appropriate sanctions should also be applied against the Management of NBET, for failing in their responsibility.

PAYMENTS FOR CONTRACT NOT EXECUTED (N20,952,000.00)

Observation

A contract for the review of NBET's Audit Manual was awarded at a contract sum of ₦20,952,000.00 (Twenty million, nine hundred and fifty-two thousand naira only) on the 12th March, 2018, via a letter referenced NBET/PROC/AKU/RAM/2018.

The contract agreement signed between both parties provided that 80% of the contract sum would be paid upon submission of draft copy and 20% after submission of the final copy. This agreement was not provided to us, despite repeated demands.

However, it was noted that the company made the final payment on 1st June, 2018 (See Table 1 below) based on a draft copy submitted by the consultant for the company to go through before the final copy would be produced.

This is a violation of Financial Regulations 415, which states that, “the Federal Government requires all officers responsible for expenditures to exercise due economy. Money must not be spent merely because it has been voted.” Also, according to Financial Regulations 3104 (iii), “A public officer who fraudulently pays money to a contractor for a job not executed shall be required to refund in full the amount wrongly paid and shall be removed from that schedule and the matter referred to the Economic and Financial Crimes Commission (EFCC) for prosecution”.

Table 1: Schedule of payments for the reviewed Audit Manual

DATE	PAYEE	PV. No.	PARTICULARS	AMOUNT (N)
28/3/18	A. K. Usman	NBET/GIFMIS/0262	80% Payment for the review of NBET internal Audit Manual	15,165,257.14
✓	FIRS	NBET/GIFMIS/0263	VAT	798,171.43
✓	FIRS	NBET/GIFMIS/0264	WHT	798,171.43
/6/2018	A. K. Usman	NBET/GIFMIS/0455	20% final payment for the review of NBET internal Audit Manual	3,791,314.28
✓	FIRS	NBET/GIFMIS/0456	VAT	199,542.86
✓	FIRS	NBET/GIFMIS/457	WHT	199,542.86
		T O T A L		N20,952,000.00



3.2 Final Response from Management

In the Management response, Ref. No. NBET/CEO/AuGF/2019/136 dated 20th March, 2019, the MD/CEO stated that the evidence of the submission of the final copies of the

Audit Manual to the Organization by the vendor was available at NBET.

3.3 Our recommendation

As at the time of our audit exercise, the final copy of the **Audit Manual** was not produced to justify the payment of ₦20,952,000.00 (Twenty million, nine hundred and fifty-two thousand naira). Audit sighted only a draft copy. The MD/CEO should produce the final copy of the **Reviewed Audit Manual**; otherwise, the Company should refund the sum expended, and the Managing Director sanctioned accordingly.

VARIATION OF CONTRACT WITHOUT APPROVAL: N4,835,856.56

Observation

NBET awarded a contract to Julius Berger-AFP Production, vide award letter referenced NBET/PROC/JB-L3/POS/2018 and dated 10th May, 2018 at the sum of ₦136,386,414.06 (One hundred and thirty-six million, three hundred and eighty-six thousand, four hundred and fourteen naira, six kobo only) for partitioning of Office space and design, manufacture, installation and coupling of Office fixtures and fittings (Lot 3). However, further scrutiny revealed from a memo dated 5th June, 2018, being a request by the Head, Procurement, for the MD's approval for variation of the sum of ₦4,835,856.56 (Four million, eight hundred and thirty-five thousand, eight hundred and fifty-six naira, fifty-six kobo) to include additional works not previously included in the above on-going contract of partitioning and design. (See Appendix 1).

Without approval of the Tenders Board and contrary to the requirement of Public Procurement Act (PPA), 2007, NBET MD awarded the Lot 3 variation contract valued at ₦4,835,856.56 (Four million, eight hundred and thirty-five thousand, eight hundred and fifty-six naira, fifty-six kobo) to Julius Berger-AFP Production, vide award letter referenced NBET/ PROC/JB-L3/POS/2018 dated 6th June, 2018, thereby increasing the Lot 3 contract value to ₦141,222,270.62 (One hundred and forty-one million, two hundred and twenty-two thousand, two hundred and seventy naira, sixty-two kobo only).

The above action contravened Section 19(h) of PPA, 2007, which states that, **"Subject to regulations as may from time to time be made by the Bureau, under direction of Council, a procuring entity shall, in implementing its procurement plans, obtain a "Certificate of No Objection" to "Contract Award" from the Bureau within the prior review threshold as stipulated in Section 3 of this Act"**,

Also, according to Section 17(Ai) of PPA, Subject to the monetary and prior review thresholds for public procurement, the approving authority for the conduct of public procurement in case of a Government Agency, Parastatal, or Corporation, is a Parastatal's Tenders Board.

Final Response from Management

In the Management response, Ref. No. NBET/CEO/AuGF/2019/136 dated 20th March, 2019, the MD/CEO claimed that the variation of ₦4,835,856.56 (Four million, eight hundred and thirty-five thousand, eight hundred and fifty-six naira, fifty-six kobo) was within the approval threshold of the MD/CEO and thus lawful.

Our recommendation

In our opinion, the MD/CEO had no right to unilaterally vary a contract that did not pass through the constituted Tender's Board, which had approved the initial/original contract. Therefore, the sum of ₦4,835,856.56 (Four million, eight hundred and thirty-five thousand, eight hundred and fifty-six naira, fifty-six kobo) should be refunded.

UNAUTHORISED PAYMENT: INTERNATIONAL TRAINING WITHOUT APPROVAL: (N65,632,229.55)

Observation

The company expended the sum of N65,632,229.55 (Sixty-five million, six hundred and thirty-two thousand, two hundred and twenty nine naira, fifty-five kobo only) (See Appendix 2) on International Trainings without the required approval of the Head of Civil Service of the Federation as required by the circular referenced HCSF/CSO/HRM/Pol.1402/1 and issued on the 22nd of January, 2015 placing a restriction on international travels on Public Servants, except on the approval of Head of Service of the Federation based on the recommendation of an appropriate committee.

Further examinations indicated that Travel Agents were paid service charges for some of these foreign trips and the proper taxes were not deducted from them. More so, the following relevant documents were not produced for audit confirmation: -

- (i) Reports of the travel/trip; and
- (ii) Files of the contractual agreements with Travel Agents.

Final Response from Management

In the Management response, Ref. No. NBET/CEO/AuGF/2019/136 dated 20th March, 2019, the MD/CEO stated that the company did not engage in any willful violation of any Government laws that relate to international teaching and learning by MDAs.

Our recommendation

The MD/CEO did not provide evidence of the Head of Service of the Federation's approval for the international trainings and deduction and remittance of the relevant taxes by the agents used.

The MD/CEO should be sanctioned in line with Financial Regulations 3129.

PAYMENT WITHOUT SUPPORTING DOCUMENTS OF N1,310,000.00

Observation

The sum of N1,310,000.00 (One million, three hundred and ten thousand naira) was paid as partly for four (4) days per diem/flight ticket (N1,160,000.00) and partly cash advance (N150,000.00) One hundred and fifty thousand naira only to Lagos in favour of 4 (four) NBET staff for report finalization panel review of evidence and preparation of decision for Disciplinary Handling Committee. No document(s) or evidence (such as threat of insecurity or distraction) was attached to the payment voucher to justify moving the meeting of the committee outside the office and/or Abuja. Relevant documents such as flight tickets, hotel bill or receipt to support the expenditure were not attached to the PV. No documents were attached to support the utilization of the cash advance of N150,000.00 (One hundred and fifty thousand naira only) granted to the team for the assignment. Our audit team requested for the report of the committee, but we were denied on the ground that it is the company's internal document not meant for public consumption.

This is contrary to FR 603 (i) which requires that, **"All vouchers shall contain full particulars of each service, such as dates, numbers, quantities, distances and rates, so as to enable them to be checked without reference to any other documents and will invariably be supported by relevant documents such as local purchase orders, invoices, special letters of authority, time sheets, etc."**

Final Response from Management

The MD/CEO contended that the decision to allow the Committee to conclude its work outside the Office in Lagos, was within the MD/CEO's executive powers and discretion.

Our recommendation

The MD/CEO should provide evidence of the journey to Lagos and the report of the Committee. Failure to provide these will cast doubt on the entity's claim that the journey was actually embarked upon. Consequently, the sum of N1,310,000.00 (One million, three hundred and ten thousand naira) should be recovered.

7.0 SPENDING OF GOVERNMENT FUNDS ON STATUS VEHICLES

7.1 Observation

NBET's 2017 Appropriation Act budgeted the sum of ₦470,500,000.00 (Four hundred and seventy million, five hundred thousand naira only) for its procurement of "operational vehicles/conveying of staff and consultants and project management/monitoring of NBET's executed PPAs/new IPPs."

However, we noted that out of the 12 vehicles procured during the period under review costing ₦355,150,734.15 (Three hundred and fifty-five million, one hundred and fifty thousand, seven hundred and thirty-four naira, fifteen kobo only) (Net of all taxes), only three (3) vehicles (Toyota Hilux), costing ₦66,735,449.33 (Sixty-six million, seven hundred and thirty-five thousand, four hundred and forty-nine naira, thirty-three kobo only) were for project monitoring; while nine (9) vehicles were status/luxury vehicles (all of which cost between ₦21,209,127.28 (Twenty-one million, two hundred and nine thousand, one hundred and twenty-seven naira, twenty-eight kobo only) and ₦67,354,496.96 (Sixty-seven million, three hundred and fifty-four thousand, four hundred and ninety-six naira, ninety-six kobo only) each, and distributed to Management Staff.

FR 415 states that, "the Federal Government requires all officers responsible for expenditures to exercise due economy. Money must not be spent merely because it has been voted".

7.2 Final Response from Management

In the Management response, Ref. No. NBET/CEO/AuGF/2019/136 dated 20th March, 2019, the MD/CEO claimed that procuring luxury/status vehicles rather than operational vehicles did not constitute frivolous spending of Government funds.

7.3 Our recommendation

The sum of ₦288,415,274.82 (Two hundred and eighty-eight million, four hundred and fifteen thousand, two hundred and seventy-four naira, eighty-two kobo) spent on procuring vehicles which were not operational vehicles as appropriated by the NASS violated the 2017 Appropriation Act and Financial Regulations (FR), 2009 in respect of Economy in Expenditure.

The Management should be sanctioned for gross misconduct in line with Financial Regulations 3129 and other extant rules and regulations.



Acknowledgement

We wish to appreciate the Managers and staff of the Nigerian Bulk Electricity Trading (NBET) Plc. for their co-operation during the conduct of this assignment.

A. W. AYINLA, FCA

Auditor-General for the Federation

Office of the Auditor-General for the Federation,
Audit House,
Plot 273, Samuel Ademulegun Street,
Central Business District,
M.E. 126, Garki,
Abuja, Nigeria

June, 2020



**APPENDIXES ON THE
REPORT**



06/06/2018

NBE1/PROG/18-L3/POB/2018

Managing Director,
Julius Berger-APP Production
53 Gana Street
Maitama
Abuja

VARIATION FOR THE AWARD OF CONTRACT FOR THE PARTITIONING OF OFFICE SPACE AND DESIGN, MANUFACTURE, INSTALLATION AND COUPLING OF OFFICE FIXTURES AND FITTINGS (LOT 3) FOR NIGERIAN BULK ELECTRICITY TRADING (NBET) PLC.


Refer to your original award letter issued on the May 10th 2018 and subsequent submission of quotation for a variation due to additional works for the sum of *Four Million, Eight Hundred and Thirty-Five Thousand, Eight Hundred and Fifty-Six Naira, Fifty-Six Kobo*(N4,835,856.56) for the abovementioned contract.

We write to inform you of the MD/CEO's approval on June 5th, 2018 for the contract variation. In view of this, the new contract sum inclusive of the cost of variation shall be **One Hundred and Forty-One Million, Two Hundred and Twenty Two Thousand, Two Hundred and Seventy Naira, and Sixty Two Kobo (N141, 222,270.62) only.**

You are to indicate your acceptance or otherwise of this award in writing within one (1) week of the receipt of this award letter and thereafter contact the Legal unit for amendment of contract agreement.

Please note that the price is final and variation would not be accepted.

Best Regards,


Eugene Edeoga
Head, Procurement
For: Managing Director/CEO

Handwritten signature and date: 6/6/2018



Head Procurement
H/A,
Approved
Name
5/6/18

Memo

To: MD/CEO
From: Head, Procurement
Date: Tuesday, June 5th, 2018

SUBJECT: REQUEST FOR VARIATION FOR THE AWARD OF CONTRACT FOR THE PARTITIONING OF OFFICE SPACE AND DESIGN, MANUFACTURE, INSTALLATION AND COUPLING OF OFFICE FIXTURES AND FITTINGS (LOT 3) FOR NIGERIAN BULK ELECTRICITY TRADING (NBET) PLC.

This is to request for your approval for a variation of the sum of **Four Million, Eight Hundred and Thirty Five Thousand, Eight Hundred and Fifty Six Naira, Fifty Six Kobo (N4,835,856.56) only** in favour of Julius Berger AFP Production.

MD/CEO may recall that during the last inspection for ongoing works at the new office space on Friday June 1st, 2018, we noticed that further additional works not previously included in the contract has to be incorporated into the ongoing partitioning to ensure completion of the contract. A new quotation for the additional works and production of fixtures has been submitted to NBET Plc (see attached).

Please note that the award of contract was issued to the contractor on May 10th, 2018 in the contract sum of **One Hundred and Thirty Six Million, Three Hundred and Eighty Six Thousand, Four Hundred and Fourteen Naira, and Six Kobo (N 136,386,414.06) only**.

In view of the above, the new contract sum inclusive of the cost of variation shall be **One Hundred and Forty One Million, Two Hundred and Twenty Two Thousand, two Hundred and Seventy Naira, and Sixty Two Kobo (N141, 222,270.62) only**.

Kindly approve:

- i. The variation of Four Million, Eight Hundred and Thirty Five Thousand, Eight Hundred and Fifty Six Naira, Fifty Six Kobo (N4,835,856.56) only
- ii. The issuance of an addendum to existing contract.

Best regards

Eugene Edeoga

8th Floor, Bank Of Industry Tower, off Herbert Macaulay Way, Central Business District, Abuja



BBCT - Agencija za Ekonomski Tržišni - Bostanov Ukladač - JBN-2011-10-2009-06-06-2012 - Page

Pos	Pos Description		Price 09/09
03	1 double seater GUAF1180 fully upholstered in fabric no h 880 / w 1400 / d 760 USQU21F AW		600 950 00
04	1 side table cross leg in laminate cherry h 450 / w 400 / d 400 S2ST422X0CH		33 844 40
Sideboard			
05	2 file shelf in laminate cherry h 2100 / w 400 / d 572 S2SE04600CH - special -	142 652 50	286 306 00
06	1 cabinet in laminate cherry corpus in laminate beige h 800 / w 600 / d 591 S2CA466L0CH		116 363 23
07	1 cabinet in laminate cherry corpus in laminate beige h 1300 / w 600 / d 591 S2CA666L0CH - special -		182 236 30
08	1 cabinet in laminate cherry corpus in laminate beige h 1300 / w 600 / d 591 S2CA666R0CH - special -		182 236 30
09	2 drawer cabinet with four drawers in laminate cherry corpus in laminate beige h 800 / w 800 / d 591 S2DC48640CH	207 633 67	416 267 34
10	1 fridge cabinet in laminate cherry h 800 / w 800 / d 591 S2FC48600CH		467 176 08
		Balance	NGN 3 838 376 85



NBSI_Nepalco-Ruk Electricity Trading - Customer Centre A - JBN/ATP 2004/10, dated 26.01.2015 Page

Pos	Pos Description	Price NGN
11	1 top in laminate cherry h. 18 / w 1800 / d 821 S2TPO1800CH - special -	45,695.10
12	1 set accessories for built in in laminate cherry baseframe and side panels ACB2AC100CH	119,789.40

Balance

NGN 4,004,850.15

Sum	NGN 4,004,850.15
+ 15% Installation in Aduja F.C.T.	800,727.52
Netto	NGN 4,805,577.67
+ 5% Vat.	230,278.89
Total	NGN 5,035,856.56

Terms of payment An advance payment of 100% of the total amount in the name of Julius Berger Nig. PLC is required by placing the order.
We accept the following payment procedures:
- remittance (bank transfer/ deposit)
- bank draft or cheque with maximum limit of 10 Million NGN

For deposit or remittance, mention the AFP No. and the date of the Quotation and see additional information at next page, please.

Bank details: First City Monument Bank
FCMB Plaza, 252 Herbert Macaulay Way, Central Business District, Abuja
NUBAN Account No.: 0129988011, Sort Code: 214080023

Production: Production can start 1 to 2 weeks after clarification and approval of all technical- and design details, taken physical measurements and full payment.
Delivery: Delivery will start approximately 4 to 8 weeks after starting production and full payment, but has to be agreed with AFP management.
Validity: The above offer is valid for four weeks from the date of printing.

The quotation does not include water- and electrical installations or electrical appliances.

As there is an import ban on swivel chairs and visitor chairs, selling only as long as our stock last!
Please confirm the availability of office chairs with AFP.

For further inquiries please do not hesitate to contact us

AFP mobile: 0803 9067305

AFP e-mail: afp@julius-berger.com

Hoping and looking forward to receive your highly esteemed order we remain,

Yours sincerely,

JULIUS BERGER NIGERIA PLC

(AFP)

M. Raiff
General Manager

N. Kossmann
Commercial Manager



Head Procurement,
DFA,
Approved
Mamali
5/6/18

Memo

To: MD/CEO

From: Head, Procurement

Date: Tuesday, June 5th, 2018

SUBJECT: REQUEST FOR VARIATION FOR THE AWARD OF CONTRACT FOR THE PARTITIONING OF OFFICE SPACE AND DESIGN, MANUFACTURE, INSTALLATION AND COUPLING OF OFFICE FIXTURES AND FITTINGS (LOT 3) FOR NIGERIAN BULK ELECTRICITY TRADING (NBET) PLC.

This is to request for your approval for a variation of the sum of **Four Million, Eight Hundred and Thirty Five Thousand, Eight Hundred and Fifty Six Naira, Fifty Six Kobo (N4,835,856.56) only** in favour of Julius Berger AFP Production.

MD/CEO may recall that during the last inspection for ongoing works at the new office space on Friday, June 21st, 2018, we noticed that further additional works not previously included in the contract has to be incorporated into the ongoing partitioning to ensure completion of the contract. A new quotation for the additional works and production of fixtures has been submitted to NBET Plc (see attached).

Please note that the award of contract was issued to the contractor on May 10th, 2018 in the contract sum of **One Hundred and Thirty Six Million, Three Hundred and Eighty Six Thousand, Four Hundred and Fourteen Naira, and Six Kobo (N 136,386,414.06) only**.

In view of the above, the new contract sum inclusive of the cost of variation shall be **One Hundred and Forty One Million, Two Hundred and Twenty Two Thousand, two Hundred and Seventy Naira, and Sixty Two Kobo (N141, 222,270.62) only**.

Kindly approve:

- i. The variation of Four Million, Eight Hundred and Thirty Five Thousand, Eight Hundred and Fifty Six Naira, Fifty Six Kobo (N4,835,856.56) only
- ii. The issuance of an addendum to existing contract.

Best regards

Eugene Edeoga
Eugene Edeoga

8th Floor, Bank Of Industry Tower, off Herbert Macaulay Way, Central Business District, Abuja



Head Procurement, AFP
Approved
Mansur
5/6/18

2. In process

As the deal is for
FC

Memo

To MD/CEO
From Head, Procurement
Date Tuesday, June 5th, 2018

Subject 1st/2nd Milestone Differential payment due to Variation to Julius Berger- AFP Furniture Production- LOT 3

This is to request the MD/CEO's approval for the payment of a differential of **Four Million, One Hundred and Ten Thousand, Four Hundred and Seventy Eight Naira, Seven Kobo (N4,110,478.07) only.**

MD/CEO may recall that an approval was granted for the variation in the original contract sum. Based on this approval, a difference in payment for both 1st and 2nd invoices on the original contract sum is due to be paid to the contractor as stated above.

Please note that the differential is the difference between the initial contract sum (**N136,386,414.06**) and the new contract sum (**N141,222,270.82**) for the 1st and 2nd milestones payments due to the above mentioned vendor for completion of design and fabrication.

As stated in the contract agreement the differentials are as follows:

- 1. For the Initial payment (1st Milestone) of 15% - Seven hundred and Twenty Five, Three Hundred and Seventy Eight Naira, Forty Eight Kobo or **N725,378.48**
- 2. For the Second Milestone of 20% - Three Million, Three Hundred and Twenty Two Thousand, Ninety Nine Naira and Fifty Nine Kobo or **N3,322,899.34**

In view of the above, **Total differential due is Four Million, One Hundred and Ten Thousand, Four Hundred and Seventy Eight Naira, Seven Kobo (N4,110,478.07) only.**

Kindly approve payment of the above amount in favour of Julius Berger- AFP Furniture Production.

Regards

Eugene Edeoga

Appendix 2 Issue 4

SCHEDULE OF UNAUTHORISED INT'L TRAVEL/TRAINING

S/N	PV No	Payee	Date	Amount (#)
1	7	Local & Int'l Training Staff	16.12.17	7,570,437.00
2	82	Local & Int'l Training-Eugene Edeoga	21.12.17	3,064,243.00
3	105	Int'l Travel-Bello/Momodu	27.12.17	128,000.00
4	1	Int'l Travel-Ahijo Abba	02.01.18	1,107,310.79
5	32	Int'l Travel-Offiong Whiley	10.01.18	1,010,661.41
6	78	Int'l Travel-Adaobi/Nonso	02.02.18	1,462,990.12
7	86	Int'l Travel-Fatimah Adelodun	07.02.18	862,899.69
8	105	Int'l Travel-Modibbo/Nnaemeka	16.02.18	1,013,399.51
9	134	Local & Int'l Training-Waziri/Shuaibu	23.02.18	240,000.00
10	138	Local & Int'l Training-Waziri/Shuaibu	'	100,000.00
11	210	Int'l Travel-Johnson Akinnawo	16.03.18	458,999.99
12	239	Int'l Travel-Modibbo/Ocheja	27.03.18	1,190,699.98
13	293	Int'l Travel-Modibbo/Ocheja	18.04.18	1,854,772.48
14	294	Int'l Travel-adaobi Nnorukah	'	555,166.99
15	333	Int'l Travel-Ahija Abba	25.04.18	140,247.00
16	477	Int'l Travel-Nnaemeka Ewelukwa	04.06.18	1,092,684.64
17	478	Int'l Travel-Adaobi Nnorukah	'	1,107,772.43
18	485	Int'l Travel-NBET Staff	05.06.18	11,027,292.26
19	490	Int'l Travel-Staff	'	5,857,191.00
20	497	Local & Int'l Training- Adaobi	'	302,459.00
21	498	Local & Int'l Training-Modibbo et al	'	842,938.00
22	513	Int'l Travel-Nicholas Ehizaenagah	08.05.18	57,600.00
23	68	Valoj Royal Travels	18.12.18	8,439,544.00
24	24	Valoj Royal Travels	21.12.18	260,890.98
24	52	Valoj Royal Travels	25.01.18	1,241,837.56
25	101	Topaz Travels	12.03.18	688,264.96
26	116	Travel Gallery Ltd	14.03.18	1,337,236.78
27	486	Travel Gallery Ltd	05.06.18	2,438,784.58
28	491	Valoj Royal Travels	'	4,153,257.40
29	499	Travel Gallery Ltd	'	1,887,027.61
30	502	Travel Gallery Ltd	08.06.18	1,219,392.29
31	521	Stakeholder Engagement	20.06.18	792,962.92
32	522	Valoj Royal Travels	'	2,125,265.18
		Total		65,632,229.55